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On Balance, State Must Support Trade

It is unfortunate that three Washington Congressmen -- Democrats Brian Baird, Rick Larsen and Adam Smith -- oppose a trade agreement with Central America.

The Republican administration has treated them dismissively, offering them nothing for their votes. But hundreds of thousands of jobs in this state depend on trade. The question of whether this state is for trade agreements ought to be settled: We are for them.

Despite serious questions about worldwide environmental impacts and the pace of globalization, on balance, it is in the interest of the people of this state to see the trade of nations expand.

The Central American Free Trade Agreement (CAFTA) is not so important in itself. It gives Microsoft greater protection for software copyrights, and Eastern Washington French-fry exporters a better shot at a market now served by Canada. But the market is fairly small. The CAFTA economies -- Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica and the Dominican Republic -- are about one-seventh the size of Mexico's.

The main importance of CAFTA is as a marker, a fight over trade in general. It's another round in the match that began with NAFTA -- and probably the easiest way to judge it is to consider how NAFTA worked out.

The North American Free Trade Agreement, which this page supported, was supposed to increase trade and trade-related jobs in the United States, help develop Mexico and encourage democracy there. Opponents predicted a "giant sucking sound" of jobs leaving the United States and a "race to the bottom" for workers in Mexico.

Most of these predictions were exaggerated. NAFTA did destroy some U.S. jobs, but the state's count of jobs vacuumed up is 4,887. During that decade, half a million net new jobs were created in Washington.

NAFTA had a bigger effect on Mexico. It hurt subsistence farmers in the south -- which is why white corn is excluded from CAFTA -- and helped Mexican exporters of everything from guacamole to car engines. Mexico was already the No. 4 trading partner of the United States. It rose to No. 2, eclipsing even China. (Canada is No. 1.)

NAFTA sped up Mexico's industrialization -- with some bad environmental impacts, like pressure on aquifers, but on balance to the benefit of the health, wealth and civic life of Mexicans. One example: Life expectancy in Mexico has risen from 70 in 1990 to 73.6 today.

CAFTA still comes with questions. Does it have too much protection of investors or patent owners? Why does it let in virtually no sugar to undermine the monopoly price charged here?

CAFTA will have to be adjusted from time to time, but it is part of a process that is good, and our delegation should support it.